

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

)	Chapter 11
In re:)	
)	
)	Case No. 08-35653 (KRH)
CIRCUIT CITY STORES, INC.,)	
<u>et al.</u>,)	
)	Jointly Administered
)	
Debtors.)	

**AFFIDAVIT IN SUPPORT OF EMPLOYMENT OF McCANDLISH HOLTON,
PC AS A PROFESSIONAL UTILIZED IN THE ORDINARY COURSE OF
BUSINESS**

STATE OF VIRGINIA)
)
CITY OF RICHMOND)

Helen L. Konrad, being duly sworn, deposes and says:

i) I am a Helen L. Konrad of the firm McCandlish Holton, PC (the “Firm”), which has been employed by the debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”)¹ in the ordinary course of their business. The Debtors wish to retain the Firm to continue providing such ordinary-course services during their chapter 11 cases. This Affidavit is submitted in compliance with the Order Granting Debtors’ Motion For Order Pursuant To Bankruptcy Code Sections 105(A), 327, 330 And 331 Authorizing Debtors To Employ Professionals Utilized In The Ordinary Course Of Business (the “OCB Professionals Order”).

1. The Firm was provided with a list of interested parties, a copy of which is

¹ The Debtors are the following entities: Tweeter Home Entertainment Group, Inc. (“Tweeter”), Hillcrest High Fidelity, Inc., NEA Delaware, Inc., New England Audio Co., Inc., Sound Advice, Inc., Sound Advice of Arizona, Inc., Sumarc Electronics, Inc., and THEG USA, L.P.

annexed hereto as Exhibit 1, and conducted a search of Firm's records for the names identified thereon. Based on that search, neither I, the Firm, nor any member, counsel, or associate thereof, insofar as I have been able to ascertain, has any connection with the Debtors, their creditors or stockholders, or any party in interest herein, except as set forth hereinafter:

(a) The Firm has claim against the Debtors in the amount of \$35,170 for services rendered prepetition.

(b) The Firm has a vendor/vendee relationship with the below entities. The Firm's relationship with such entities will not effect its representation of the Debtor as described in paragraphs 3 - 7 and does not create a conflict of interest under the Rules of Professional Conduct.

American Express	AON Risk Services
AT&T	Avaya, Inc.
Bank of America	CDW Direct, LLC
Chase Visa	City of Jacksonville
City of Richmond	County of Henrico, Virginia
Fairfax County Circuit Court	Hewlett-Packard Company
Insight Direct USA, Inc.	Insight Physicians, P.C.
InterCall	Internal Revenue Service
Metro Reporters, Inc.	Research In Motion Corporation
Specialty Risk Services	Sprint (Corp. Acct.)
Sprint (Data Services)	Sprint Conferencing Services
Sprint PCS	Staples
Suntrust Bank	Target
T-Mobile	Verizon Wireless Services, LLC

(c) The Firm currently represents the below entities in matters unrelated to the Debtors or the pending Bankruptcy proceedings. The Firm's concurrent representation of such entities will not effect its representation of the Debtor as described in paragraphs 3 - 7 and does not create a conflict of interest under the Rules of

Professional Conduct.

NiSource Inc.	The Brink's Company
Bank of America, N.A.	SunTrust Bank
Vanguard Products Group Inc.	Great American Insurance Company
Specialty Risk Services	Carmax Auto Superstores, Inc.
DHL Global Business Services	Golf Galaxy
Bank of America	SunTrust
Wachovia Bank & Securities	Millennium Retail Partners
Merrill Lynch Global Institutional Advisory Division	

(d) The Firm previously represented other entities on the attached list in matters unrelated to the Debtors and/or the pending bankruptcy proceedings. The Firm's prior representation of such entities will not effect its representation of the Debtor as described in paragraph 3 - 7 and does not create a conflict of interest under the Rules of Professional Conduct.

2. The Firm does not represent or hold any interest adverse to the Debtors or their estates with respect to the engagement for which we are to be retained.

3. The Firm provides immigration advice and processing of temporary work visas and permanent resident green cards for international personnel working for the Debtors. This includes processing of H1B visa petitions, PERM labor certification, I-140 Petitions for Immigrant Workers, and I-485 Applications to Adjust Status and related documentation.

4. This Firm and certain of its members, counsel, and associates may have in the past represented, currently represent, and may in the future represent entities that are claimants or equity security holders of the Debtors in matters totally unrelated to the Debtors' chapter 11 cases. None of those past or current representations are material. This Firm will be in a position to identify with specificity all such persons or entities

when lists of all creditors of the Debtors have been prepared and will make any further disclosures as may be appropriate at that time. The Firm intends to apply for compensation for professional services rendered in connection with these chapter 11 cases directly to the Debtors, in accordance with the OCB Professionals Order, with such application to request compensation for services based on the hourly rates and flat fees arrangements set forth below, plus reimbursement of actual and necessary expenses and other charges incurred by the Firm. The principal attorneys and paralegals designated to represent the Debtors and their current standard rates are:

5. Attorneys and Paralegals:

Helen L. Konrad, attorney
Helen Skakandy, paralegal
Madeline Cruz, paralegal
Kelly Murphy, paralegal

All services are provided on a "fixed fee" basis. The following are fixed fees for visa services:

- | | | |
|----|---|--------|
| 1. | New H1B visa petitions for temporary workers | \$2100 |
| 2. | H-1B Extension petitions for temporary workers | \$1600 |
| 3. | PERM applications filed with the US Dept of Labor as the first stage for permanent residence | \$3100 |
| 4. | I-140 petitions filed with the immigration service as the second stage for permanent residence | \$1100 |
| 5. | I-485 applications filed with the immigration service as the last stage for permanent residence | \$1100 |

6. The rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Such rates are the Firm's standard rates for work of this nature. The rates are set at a level designed to fairly compensate the Firm for the work of

its attorneys, paralegals and other professionals and to cover fixed and routine overhead expenses. It is the Firm's policy to charge its clients in all areas of practice for all other expenses incurred in connection with a client's case. The expenses charged to clients include, among other things, CIS filing fees for H1B petitions (\$2320), CIS filing fees for I-140 (\$475), CIS filing fees for I-485 (\$1010), classified advertising charges which are variable and, in general, all identifiable expenses that would not have been incurred except for representation of a particular client. The Firm will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients.

7. Except as provided in the OCB Professionals Order, no representations or promises have been received by the Firm nor by any member, counsel, or associate thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code. The Firm has no agreement with any other entity to share with such entity any compensation received by the Firm in connection with these chapter 11 cases.

WHEREFORE, affiant respectfully submits this Affidavit in Support of Employment of McCandlish Holton, PC as a Professional Utilized in the Ordinary Course of Business.

Helen L. Konrad

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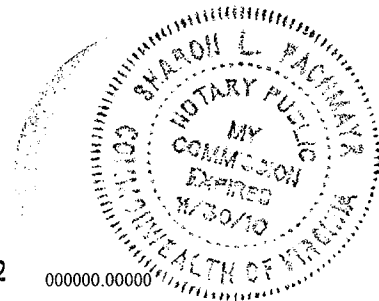
STATE OF VIRGINIA)
) to wit:
CITY OF RICHMOND)

The foregoing instrument was subscribed and sworn before me this 16 day of January, 2009, by Helen L. Konrad.

Sharon Stachman
Notary Public

My commission expires: November 30, 2010

My registration number: 7044692



Certificate of Service

I certify that on January 19, 2009, a true and correct copy of the foregoing Affidavit in Support of Employment of McCandlish Holton, PC as a Professional Utilized in the Ordinary Course of Business was served via the Court's electronic case filing system or by regular, First-Class United States Mail, postage pre-paid, upon each party required to receive notice including the following:

Robert B. Van Arsdale
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701 E. Broad St., Suite 4304
Richmond, VA 23219-1888

Bruce Matson, Esq.
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By: /s/ Jeremy W. Martin
Jeremy W. Martin

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